

Book Of Abstracts

Economics and Business Competitiveness International Conference

Global Competitiveness : Business Transformation in The Digital Era

*21 - 22 September 2018
Grand Inna Kuta, Bali, Indonesia*

Organized by:



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Message From The Dean Faculty of Economics Parahyangan Catholic University Bandung, West Java Indonesia

Welcome to all our distinguished guests, professors, speakers, and participants of the conference. I am delighted and honored to have this opportunity to welcome you to the 1st Economics and Business Competitiveness International Conference 2018 with the theme Global Competitiveness: Business Transformation in Digital Era, hosted by Parahyangan Catholic University, Faculty of Economics and Politeknik APP Jakarta (Industrial Ministry).

Our conference's primary goal is to bring together leading academic scientists, researchers, research scholars, and business leaders to exchange and share their experiences and research findings on all aspects of Competitiveness, Innovation and Transformation in digital era. This will be achieved through multidisciplinary presentations and discussions of current business issues in emerging and developed countries.

The island of Bali, Indonesia was chosen as the venue for the 2018 conference to allow participants to visit and enjoy this beautiful island.

We are pleased that there are a number of distinguished speakers and many participants from different countries all around the world sharing their interest and involvement in EBCICON 2018.

This conference is made possible with the effort of many people and by supports from collaborating institutions. We would like to thank all the committee members of the conference for their efforts in making this conference a success. We would also like to thank all the co-organizers and sponsors of the conference.

We trust that this 2018 conference will benefit all presenters and participants from both a knowledge sharing media as well as a networking perspective. Wishing you all a great time here in Kuta, Bali.

Thank You,

21 September 2018

Professor Dr Hamfri Djajadikerta

Message from Head of Committee EBCICON 2018

Praise to the Almighty God for all the grace and guidance that has been given to us all, The 1st Economics and Business Competitiveness International Conference 2018: Business Transformation in digital Era, 21-22 September 2018 at The Grand Inna Kuta Bali can be realized. This conference is a collaborative event between The Economics Faculty of Parahyangan Catholic University and Polytechnic APP Jakarta. Our primary goal is to bring leading academic scientists, researchers, and business leaders to share experience and research findings on all aspects of Business Transformation in digital Era. Hopefully all off this can be published in a leading international proceeding.

On this occasion the committee would like to express their gratitude to:

1. The Rector of Parahyangan Catholic University, Mangadar Situmorang, PhD, who has facilitated all the activities of the EBCICON 2018.
2. The Director of Polytechnic APP Jakarta, who has facilitated all the activities of the EBCICON 2018.
3. The Dean of The Economics Faculty of Parahyangan Catholic University.
4. The Head of Management Program from The Economics Faculty of Parahyangan Catholic University and Polytechnic APP Jakarta.
5. The Steering Committee and the Organizing Committee of EBCICON 2018, who have contributed their time, effort, and thoughts for the success of this event.
6. The authors and presenters who contributed and shared their excellent ideas.
7. The sponsors and guests that support this event.

Hopefully this event can give benefit for all of us.

We apologize if there is inconvenience related to the event.

May God bless us all.

21 September 2018

Dr. Istiharini
Head of Committee EBCICON 2018

Message from Coordinator of Polytechnic APP Jakarta Organizing Committee

Assalamua'laikum Warohmatullohi Wabarokatuh.

All praise is due to Allah, the Lord of the World, the Master and the Creator of everything in the Universe, the Destroyer of all oppressors and the Hope of the oppressed, for enabling us to meet.

The honorable Head of Industry R & D Agency Ministry of Industry on behalf Minister of Industry.

The honorable Director of Polytechnic APP Jakarta.

The honorable Rector of Parahyangan University Bandung.

It is my great honour and delight to greet you, and to particularly extend a warm welcome to the distinguished speakers from abroad. Welcome to the 1st Economic and Business Competitiveness International Conference (EBCICON).

EBCICON is a collaborative event between Polytechnic APP Jakarta and the Economics Faculty of Parahyangan Catholic University. The holding of this international conference is expected to be a proactive step for Polytechnic APP Jakarta to realize a forum for discussion between academics and researchers regarding support for the Making Indonesia 4.0 program. As part of education provider in the Ministry of Industry, we want to support the academic staffs to continuously writing scientific paper that are reputable and beneficial for the development of industrial human resources.

Dear colleagues, you have a challenging programme ahead for the next two days. I am sure that you will have a stimulating and interesting meeting here in Bali with its long and distinguished history of both the arts and sciences. Please use this opportunity to interact with each other to the full in this unique environment and exchange your experience and create ideas for the future.

Finally, I would like to thank you to our organizing partner, sponsorship, guests, participants for joining and make this conference done beautifully. Hopefully this collaboration event can continue to be held in the coming years to answer the challenges of dynamic business competition.

Wabillahitaufik wal hidayah,
Wassalamu'alaikum Warohmatullohi Wabarokatuh.
21 September 2018

Rinandita Wikansari
Coordinator of Polytechnic APP Jakarta Organizing Committee

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ACCOUNTING & GOVERNANCE

The Use of Earnings and Cash Flows in Predicting Corporate Financial Distress: A Case Study of Retail Merchandising Enterprises that are Listed at The Indonesian Stock Exchange

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ABSTRACT: The purpose of this research is to empirically examine and analyze the effect of earnings and cash flows in predicting corporate financial distress of the retail merchandising enterprises using financial variables and non-financial variables. This study used secondary data obtained from the company's financial statements in the period 2014 to 2017 that are listed in the Indonesia Stock Exchange. The results of this study showed that the earnings model is strong enough to use as a model for the prediction of corporate financial distress, while the cash flows model cannot be used as a predictive model of corporate financial distress. Because it is statistically insignificant. In other words, it is better to predict corporate financial distress defined in terms of profitability than in cash flow.

Keywords: financial distress, earnings, and cash flows

Topic: Accounting and governance

Maturity Level of Good Corporate Governance (GCG) Principles Implementation – Case Study from Micro and Small Enterprises

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ABSTRACT: This study investigates the maturity level of Good Corporate Governance implementation in micro and small enterprises in West Java, Indonesia. We first identified five major good corporate governance indicators to implementation of good corporate governance principles. We then used maturity level to measure the success rate of good corporate governance implementation in micro and small enterprises. Maturity level is used to assess maturity of software development and is used to assess qualitatively processes or technology. In this study, maturity model is used to assess good corporate governance implementation in Islamic fashion industry. The first result of this study is maturity level as a map to assess the good corporate governance implementation. The next result indicates that micro and small enterprises in Bandung focus on fairness. The reason micro and small enterprises in West Java focus on fairness is the unawareness of informal business of doing business with standard. These results indicate the need to improve micro and small enterprises' awareness of the importance of good corporate governance implementation to have sustainability of doing business.

Topic: Accounting and governance

Effect of Good Corporate Governance, Ownership Structure, Political Connections on Tax Aggressiveness of Manufacturing Companies Listed in Indonesia Stock Exchange

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ABSTRACT: This research aim to provide empirical evidence of the effect of good corporate governance, ownership structure, and political connection on tax aggressiveness. This research use linier regression as analysis tool. Sample in this research choose using purposive sampling from the manufacturing company in Indonesia, Stocks Exchange, total sample use in this research are 64 sample. Finding of this research indicates that board of director significantly and positively affect tax aggressive, board of director not significantly affect tax aggressive, audit committee not significantly affect tax aggressive, family ownership significantly and positively affect tax aggressive, political connection not significantly affect tax aggressive.

Topic: Accounting and governance

The Future of Accountancy Profession in Digital Era

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ABSTRACT: The technology evolution is escalated rapidly. It has changed the business environment, including accountancy profession. Digitization makes various disruptive changes on accounting practices. Failure to keep pace with the digitization will be a disaster for the accountancy profession. The digital technology generates hard challenges for accountants. This study aims to examine the perception of accountants on the digital era and to identify some important impacts of digitization on accountancy profession. Strategy how to exploit the digitization is required for the benefit of accountancy profession. The study is based on a perception survey. Data are collected by distributing questionnaire on Indonesian accountants. An inclusive literature review is conducted to get more comprehensive understanding. The finding of this study indicates that the digitization has changed the way of thinking and practicing in accounting field. It is revealed that mostly accountants recognize the digitization as both benefits and challenges. It is concluded that most of accountants have confronted the technological revolution. Furthermore, it is suggested that advanced research should explore the topic in larger area for a comparative study. The main contribution of this study is some identified strategies for accountancy profession to cope the future digital era.

Keywords: Accountancy, Accountant, Accounting, Accounting Education, Digitization, Profession.

Topic: Accounting and governance

The Effect of Information Privacy Concern and Security Concern on Online Purchase Decision in University Student

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ABSTRACT: The aim of this research was to acknowledge the effect of privacy and security concern on the online purchase decision in university student. Data was gathered through the questionnaire from accountancy student in university of Achmad Yani whom ever did the online purchase, before being analyzed by SPSS. The results show that both information privacy concern and security concern impact the online purchase decision. In order to reduce risk of insecurity among the online buyers, the privacy and security data problems should be handled carefully. E-commerce company needs to consider their company regulations related to the information privacy problems and develops its security apps in order to incline the online purchase decision.

Topic: Accounting and governance

The Role of Risk Management Disclosures in Conforming Bankruptcy Risk Calculated using Altman Z-Score - Study of Coal Companies in Indonesia

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ABSTRACT: This research aims to provide an overview of the financial condition of coal companies in Indonesia, so that it assists investors interested in coal industry in Indonesia. The research began with a preliminary study about the condition of the coal industry in Indonesia from 2006 to 2016. The study then expanded to include global influence through global coal price in Altman's bankruptcy prediction model and company age as variable to depict company sustainability advantage. In addition to assessing bankruptcy risk quantitatively, this research also assesses bankruptcy risk by reviewing risk management disclosures of the companies. Risk management practice portrays a firm's ability in handling risks. This research illustrated that risk management disclosure value is in line with bankruptcy risk calculated using Altman z-score, except for BUMI.

Keywords: risk management, Altman z-score, global influence, firm age, coal

Topic: Accounting and governance

The Application of Management Accounting in Micro and Small Enterprise in Bandung and surrounding areas

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ABSTRACT: The purpose of this research is to investigate the application of management accounting at Micro Enterprises in Bandung area and to identify the management accounting methods or techniques that is used by Micro Enterprises at Bandung and surrounding areas. This paper spelled out some management ac-counting theory from management accounting expert. Besides that, some recent research about management accounting in Indonesia and abroad were reviewed. The research found that Micro Enterprises at Bandung and surrounding area have applied management accounting. The application is limited to simple management accounting methods or techniques. Because the respondent of this research were mostly micro and small enterprises at culinary industry so we could not draw a conclusion for Micro and Small Enterprises at Bandung area.

Topic: Accounting and governance

CUSTOMER RELATIONS

Antecedents of Indonesian Traditional Fashion Involvement - Study of Tenun Songket Palembang

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ABSTRACT: Fashion involvement is generally a high involvement, marked by a decision that requires a lot of consideration, for example in terms of functionality, motives, model, color, comfort, brand, compliance with the trend, price, especially for the traditional Indonesian fashion fabric, such as kain tenun songket Palembang. The purpose of this research is to understand deeply about consumer's involvement and the determinants that affects consumer involvement.

5 involvement antecedents (materialism, ethnic identity, consumer inovativeness, reference group, product functionality), 3 involvement (promotion involvement, product involvement, purchase decisions involvement) and buying behavior are been studied in this research. 100 respondents were being sampled in this study. SEM with WARP-PLS were used in data processing.

Consumer perceptions of materialism is positive, positive for ethnic identity, may be positive may be negative for consumer inovativeness, may be positive may be negative for reference group, and may be positive may be negative for product functionality. Consumer perceptions regarding the promotion and product involvement are positive, and may be positive may be negative for purchase decision involvement. Consumer perceptions regarding purchasing behavior may be positive may be negative. The ultimate deciding factor for promotion involvement is the reference group despite of the negative coefficient path-values; product involvement is ethnic identity and for purchase decision involvement is reference group. In this study, materialism, reference group and product functionality contributes 26% in explaining promotion involvement; materialism, ethnic identity, consumer inovativeness, reference group and product functionality contributes 55 % in explaining product involvement; materialism, consumer inovativeness, reference group contribute 51% in explaining purchase decisions involvement.

Keywords: involvement antecedents, involvement, kain tenun songket Palembang

Topic: Customer Relations

The Effect of Endorser's Perceived Credibilities in Brand Image Establishment

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ABSTRACT: Television as the primary means of promotion of producers. While advertising expenditure in print media, both newspapers, magazines and tabloids actually showed a decrease (www.katadata.co.id 2017). In creating effective advertising, there are various important factors, including the selection of celebrities as supporters. The attribute that can be used to say the endorser is effective or not is the attribute of Attractiveness, Trust and Expertise (Ohanian, 1990).

The purpose of this research is to know the effect of attractiveness, expertise and trustworthiness from Maudy Ayunda endorser either simultaneously or partially to brand image from Teh Javana, and to know among the attractiveness, belief and expertise of endorser that dominant influence to brand image. The sample of this research is students of Sekolah Tinggi Ilmu Ekonomi Harapan Bangsa. The sample size was 125 respondents. This research was tested by using multiple linier regression analysis method. The results of the analysis show that the independent variable of attractiveness, trust and expertise of the endorser together have a significant influence on the brand image. Partially only 2 variables of trust and expertise significantly affect brand image. The variable of endorser appeal partially has no significant effect on brand image.

Keywords: attractiveness, brand image, expertise, trustworthiness

Topic: Customer Relations

Entrepreneurship and Small Medium Enterprise in ASEAN

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ABSTRACT: Entrepreneurship and Small Medium Enterprises have grown positively all over the world, especially in ASEAN, and it is comprehensively established that entrepreneurship is important for individual's wealth and country's economic growth. Despite those facts, the most issue of ASEAN's Small Medium Enterprises known from preliminary research is initial capital. Most of them are micro in size and located in rural agrarian economies with limited access to markets and finance. Those phenomena get the attention of scholars from diverse disciplines, all of them interested in the profile and motivation of Small Medium Enterprises and their business sustainability. The method of this research is Depth in Interview with entrepreneur in Indonesia, Cambodia, Brunei Darussalam, Lao Peoples Democratic Republic, Myanmar, Vietnam and Thailand. Several factors were studied, with positive effects on each stage of the entrepreneurship process, for Small Medium Enterprise. Two ways of improving SMEs in ASEAN would be providing training for SMEs (especially in the field of marketing), and creating policies that support SMEs to run smoothly and make progress such as ease of business licensing as well as providing facilities such as work space for SMEs. The results of this study are expected to be used as a consideration for SMEs in ASEAN and government to optimize performance.

Keywords : Entrepreneurship, Small Medium Enterprises, ASEAN

Topic: Customer Relations

Service-Performance Chain: A Triangle Conceptual Model

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ABSTRACT: The service-profit chain demonstrates links between profitability, customer loyalty, and employee satisfaction, loyalty, and productivity. Previous research applied the service-profit chain among various sector research found that within the service-profit chain did not consistently linked. The conceptual model of this research is modified from the Heskett et al. service-profit chain framework as data for some variables in the service-profit chain were not accessible by adjusting profitability and revenue growth to daily business performance. This research aims to propose the service-performance chain model (Indonesian context).

Keywords: Employee Satisfaction, Employee Loyalty, Customer Satisfaction, Customer Loyalty, Service Quality, Service-Profit Chain

Topic: Customer Relations

Preferences of Domestic Low Cost Carrier Airlines Passenger with Conjoint Analysis Method - Case Study on Greater Jakarta Area

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ABSTRACT: Air transportation is increasingly needed by society at this time. The airline industry sees considerable market opportunities in Indonesia, resulting in many airlines attempt to establish low cost carriers. Low cost carrier domestic airlines are in great demand in many circles. Knowing the preference for low cost carrier domestic airlines passengers is very important in order to determine the appropriate strategy in reaching the number of passengers. Preferences are calculated based on attributes using the conjoint analysis method. Respondents were asked to assign values to the level of each attribute. The results show that prices have the highest relative importance (NRP), followed by brand equity, facilities, time, and cabin staff. While the most preferred combination of low cost carrier domestic airlines is the price at the time of off peak, has on time brand equity, has a 5 kg baggage facility, 7-9 am flight time, and organized cabin staffs.

Keywords: conjoint analysis, domestic airlines, low cost carrier, preference

Topic: Customer Relations

ENTREPRENEURSHIP

The Effect of Strategic Entrepreneurship to Innovation with Creativity as A Moderating Variable at Culinary Industry in Bandung City

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ABSTRACT: Culinary industry in Bandung became one of the national culinary tourism destinations. This condition arises due to the richness of Bandung culinary variations and innovations. Innovation is an instrument for realizing an entrepreneurial economy, which encourages the culinary industry to exploit the opportunity for profit. This research was conducted on 203 culinary in Bandung, to find the effect of the strategic entrepreneurship variables to innovation on culinary industry in Bandung through creativity variables as a moderation variable. By using partial least square technique, it is found that the strategic variables of entrepreneurship have an effect on innovation variable, while creativity as a moderating variable has no impact on the relationship.

Topic: Entrepreneurship

The Impact of Entrepreneurial Orientation and Business Environment towards Business Performance: Small and Medium Fashion Moslem Industry in Bandung

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ABSTRACT: This study aims to investigate the effect of entrepreneurial orientation (EO) and business environment (BE) on business performance (BP). This research will explore the important aspects that may improve the business performance of moslem fashion- small medium enterprises (SMEs) in Bandung. Differently from previous studies, EO and BP were studied separately, in this study we try to comprehend the collaboration between EO and BP. This study is important to be conducted because it may provide insight for these businesses in dealing with intense competition in moslem industry. Thus, firms need to understand their position and competitive environment. This study is a quantitative study which involves 60 SMEs of Moslem fashion industry in Bandung. The data will be processed by using ordinary least square (OLS). The result of this paper shows there is a positive relationship between entrepreneurial orientation and business environment to business performance, thus SMEs must begin to improve EO, because based on research EO factor greatly influences BP.

Keywords: entrepreneurial orientation, business environment, business performance, moslem fashion industry

Topic: Entrepreneurship

Evaluating Entrepreneurship Ecosystem at Different Phases of Entrepreneurship Activity based on Principal Component Analysis

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ABSTRACT: The entrepreneurship ecosystem plays a key role for achieving global competitiveness. This paper aims to analyze entrepreneurship ecosystem in different phases of entrepreneurial activities in achieving global competitiveness. The GEM model is used to analyze the entrepreneurship ecosystem for Indonesian entrepreneurs in 2015-2017. The entrepreneurs' activities were classified into three phases, namely nascent, new business, and established business. Meanwhile, the entrepreneurship ecosystem is defined into factors of entrepreneurial framework conditions. The result shows that there are different conditions faced by the entrepreneurs at different phases. All entrepreneurs need firm and definite regulations to support their business. Innovation or research and development (R&D) transfer is not very important for nascent entrepreneurs, but it is one of the most important factors for baby and established businesses. The competitiveness and the strategies to win the competition are more important for those who have been operating the business more than 3 months.

Topic: Entrepreneurship

Creativity in Capital Management by Young Entrepreneurs in West Java SMEs

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ABSTRACT: The resilience of small and medium-scale businesses during the economic crisis is no longer doubted. While other companies with large capital collapsed due to the crisis, small and medium-scale business actually survived and continue to run. The research is a continuation of previous research which conducted in 2014-2015 on several small and medium enterprise in West Java. The previous researchs were conducted using mix-method, while this research conducted in 2016-2017 with qualitative method using case studies. Several in-depth interviews and observation have been carried out on five young entrepreneurs in Bandung that mostly come from students. The major business sectors of them are fashion and culinary. Bourdieu's theory of capital was used to analyse the findings. The results showed that financial capital and good bookkeeping were necessary for business development. Each young entrepreneur shows a different way of managing their finances using their creativity. The same factors that are the key to their success are not profit-money oriented only, but they more concerned with networking which is social capital. In addition, mastery of smartphone usage and social media to win the competition is an absolute thing to sustain their businesses.

Keywords: small and medium businesses, business sustainability, social capital, social media.

Topic: Entrepreneurship

Critical Study of Business Models of Music Education in the Context of Hyper-competition

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ABSTRACT :Now the competition in music education business in Indonesia, especially Bandung can already categorized as hypercompetition condition, which characterized by competition that had mad the competitive advantage of each company become irrelevant due to aggressive and innovative movements of competitors. The aim of this study is to see the assumption that in the hypercompetition condition, business would be very difficult to compete if did not have a good competitive advantage and this also happens in music education business in Bandung. By researching 3 business models in Bandung, namely local school models, courses and international certification model, and international certification model.

The study find out that despite the conditions of hypercompetition, each of these music school businesses still persisted due to factors of different adjustments from consumer needs, which differed from the assumptions of hypercompetition theory which stated that the possibility of a business would not survive if it did not formulate a new strategy and top management cannot see the changing direction of the market that is happening, so it will reduce the flexibility of a change that is needed in hypercompetition.

Keywords: music education industry, hypercompetition, competitive advantage

Topic: Entrepreneurship

ENVIRONMENTAL ISSUES

Synergy of Green Industry with Industrial Revolution 4.0 in Indonesia

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ABSTRACT: This study aims to identify and analyze the synergy of Green Industry with Industrial Revolution 4.0 which both are programs of the Ministry of Industry and the Government of Indonesia. This study use comparative research methods with descriptive analyst approach. Methods of data collection were conducted by literature study and regulation review on related information, while data were analyzed through process of reduction, presentation and conclusion. The results show that the green industry supports and synergies with the industrial revolution 4.0 issued by the Indonesian Republic government through Ministry of Industry.

Keywords: green industry, environment, industry 4.0

Topic: Environmental Issues

Competitiveness with(out) Sacrificing Environment: Estimating Economic Cost of Groundwater Pollution

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ABSTRACT: Indonesia is among the largest textile producing countries because of its high competitiveness. Most of the textile and apparel industries are located in West Java province. There are cases in which Indonesian textile industries cause groundwater pollution. This study aims to estimate the economic cost of groundwater pollution in two sub-villages of Lagadar village, Bandung district, West Java province, which is caused by waste water of the textile industry. An environmental valuation method using replacement and prevention costs is conducted with primary data collected from the field by a survey of 84 households. The result shows that the average household's expenditure to buy clean water (bottled water and/or tap water), to build public well, and to operate public water treatment, is IDR 67.048 per month; or IDR 804.576 per year. Therefore, total economic cost of groundwater pollution for the two sub-villages (of 546 households), are IDR 36.608.208 per month; or IDR 439.298.496 per year.

Keywords: groundwater pollution, environmental valuation, economic cost, Indonesia

Topic: Environmental Issues

FINANCE & INVESTMENT

Investment Behavior in Manufacturing Companies in Indonesia: Study on Leverage, Company Growth, and Cash Holding

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ABSTRACT: Decision in investment is critical for company's performance, competitiveness, profitability and their survival. This study aims to demonstrate empirically how manufacturing company's leverage and growth affect their investment decision, with a case in Indonesia. This study utilizes annual financial statements of companies in the manufacturing sector listed on the Indonesia Stock Exchange (BEI) within the period of 2007 to 2016. The results of analysis show that leverage has a control function on management. Company growth has a positive effect on investment. Free Cash Flow has negative impact on investment, show there is cash holding behavior. In addition, this study demonstrates that the companies' growth rate does not strengthen nor weaken the effect of leverage on the investment decisions of the manufacturing companies in Indonesia, and this is assumed due to the financial constraint issues when the company intended to perform external financing for their investment in Indonesia.

Topic: Finance and Investment

Value Driver of Value Based Management (Used Du Pont Extended Formula) in Retail Companies Era Digital Marketing

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ABSTRACT: VBM is a managerial process which effectively links strategy, measurement and operational processes to the end of creating shareholder value. VBM is an approach to management whereby the company's overall aspirations, analytical techniques, and management processes are all aligned to help the company maximize its value by focusing management decision making on the key drivers of value. Du pont formula decomposes the value creation drives as described from margin, turnover, leverage, pullover and book to value ratio or market to book value ratio.

This study aims to analyze the application of du pont formula in company retail in the present era of digital marketing. Research methods used descriptive qualitative with apply a model du pont extended to the company so acquired a conclusion

The results showed that the ability of retail companies in sales supported by value driver profit margin showed no significant change no significant effect of profit margin before application with after application of digital marketing. The company's ability to keep stock prices supported by PER value drivers shows no significant change in no significant PER effect before implementation with after the application of digital marketing in today's business world.

Keywords: VBM, Value, Value Driver, Dupont Formula

Topic: Finance and Investment

The Role of Source of Information in Making Decision for Investors: Case Study at Maranatha Sinarmas Securities Investment Gallery

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ABSTRACT: Professional capital market investors need an appropriate source of information to execute their decision about buy, sell or keep their portfolio. In making decision about their transaction, investors are expected to be influenced by the news from professionals (financial advice), informal news from relatives (word of mouth) and also from investment media (specialized media). This descriptive study is willing to evaluate the type of source that is frequently used to make the appropriate decision. Among 425 investors in Maranatha Sinarmas Securities Investment Gallery, there are 30 investors are willing to be asked as respondents of this research. It shows that specialized media is the most frequent information because the investor still belief in formal issues.

Keywords: Capital market, investor, source of information, decision making

Topic: Finance and Investment

Influence of Intellectual Capital on Financial Performance in Sub Company Real Estate & Property Sector

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ABSTRACT: The development of a science-based economy encourages companies to improve the management of their intangible assets such as intellectual capital. Purpose of this study is to determine the influence of intellectual capital which consists of three basic elements Value Added Capital Employed (VACA), Value Added Human Capital (VAHU), and Structural Capital Value Added (STVA). on the performance of Return on Assets (ROA) on real estate & property firms listed in Indonesia Stock Exchange (IDX) period 2014 to 2016. This research type is quantitative research with data secondary sourced from the financial statements. Data analysis in this study using multiple regression analysis method. Testing data using SPSS application version 22. The results showed that VACA, VAHU, and STVA simultaneously affect ROA of 61.80%, VACA affect ROA of 47.75%, VAHU affect ROA of 50.41% and STVA does not affect ROA.

Topic: Finance and Investment

The Study of Financial Literacy and Personal Finance Opinions, Decisions and Financial Behaviour among College Students in Parahyangan Catholic University

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ABSTRACT: The purposes of the study are: to determine the level of financial literacy among college students, conducted to examine the effect of the financial literacy to Financial Behavior. In this study, a survey instrument which includes 34 items that measure independent variable of financial literacy proxied by general knowledge, interest rate and inflation, time value of money and risk diversification. This measure using multiple choice questions and calculated score base on the percentage of the correct answers. The dependent variable measured using 10 item of Financial Behavior questions. This study consist of applied research using explanatory research. A sample consisting of 535 college students participated in the study. The data analysis technique used are 1). Percentage of the correct answers to determine the level of financial literacy; 2). Multiple linear regression and hypothesis testing using F-statistics and t-statistics to analyse the effect of the financial literacy to financial behavior. The results show that respondents answer about 56.6% of financial literacy questions correctly. It indicates that the level remain is low. The result of Financial Behavior indicate that 80% of students still ignore to plan their financial decision. Using multiple regression analysis, significant effect were found between financial literacy and Financial Behavior. The contribution of financial literacy as Independent variables is 34% to financial behaviour.

Keywords: Finance, Financial Behavior, Financial Literacy, Personal Finance

Topic: Finance and Investment

HUMAN CAPITAL

Developing Company Viability Based on Virtue and Human Potentials (Study on SME in West Java)

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ABSTRACT: The company viability, particularly in relation to virtue and human potentials has scarcely been discussed in today's field of business and management. However, in line with the more dynamic and complex company milieu, establishing the viability as its adaptive and flexible capacities is urgency. The purpose of this study is to explore and confirm this specific "intrinsic" company performance and its supporting factors. The study is conducted to 47 SME industries located in West Java. Data was collected by survey taken from 905 workers, and interviews to the owners/manager. Factor analysis method is conducted to verify the validity of the variables and its model proposition as to come to a valid form of research model and hypothesis which is valid to analyze. The results of path analysis showed that the company viability significantly is influenced by the Management Commitment and Intrapreneurial spirit, both of variables can be explained at R^2 0.93. Meanwhile, the Intrapreneurial spirit is be explained by the Work Spirit, Innovative Learning, and Compliance significantly, at R^2 0.94. The study also explained the role of mutual trust. The results of this study is hoped to be the basis of a more thorough research on the psycho-social aspects contributing to enhance the intrapreneurial spirit for developing the company viability.

Keywords: Company Viability, Management Commitment, Intrapreneurial Spirit, Mutual Trust

Topic: Human Capital

Organizational Strategy in Permanence and Newness

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ABSTRACT: An organization is a group of multiple beings, which interact with each other and have a common purpose. Each member establishes itself in the dialectic of permanence and newness, which is done in interaction with other beings within the organization. As a whole, the organization is an entity that is independent, intact, and has a certainty. There is also the dialectic in an organization between the past and the future. The past and the future of an organization are together in its present, in the atmosphere of competition. The organization is new, but at the same time, is still old. Both permanence and newness are a part of the present of the organization. In this dialectic between permanence and newness, each organization formulates its strategy which aims to maintain its life and to achieve its goals of being in the midst of competition with other organizations. By conducting research in various literature, this study will uncover the organizational strategy in the dialectic of permanence and newness.

Keywords: permanence, newness, organization

Topic: Human Capital

The Role of Inclusive Leadership in Employee Motivation and Job Performance in Interior Design and Construction Companies in Vietnam

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ABSTRACT: This study aims to develop a conceptual model to investigate the indirect effects of inclusive leadership on job performance throughout the mediating factors, including person-job fit, employee well-being and innovative behavior. The paper conducted a structural equation model approach to test the research hypotheses via the questionnaire survey of 387 employees, who were working at twelve interior design and construction companies. The results revealed that person-job fit and employee well-being had a significant direct impact on job performance while estimated results supported all hypotheses. Interestingly, employee well-being, person-job fit, innovative behavior are considerable mediators that statistically support indirect effect of employee well-being on job performance. The findings highlight a theoretical and empirical contribution to further understanding the impact existence of leader-member exchange policies on job performance. In other words, the results propose some managerial implications to enhance job performance by strengthening self-worth through innovative behavior in the workplace and reinforcing inclusive leadership practices.

Keywords: person-job fit, inclusive leadership, innovative behavior, employee well-being, job performance

Topic: Human Capital

Safety Behavior of Manufacturing Companies in Indonesia

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ABSTRACT: The high rate of accidents in the workplace makes employee safety be a priority in manufacturing companies. This is because work safety is closely related to employee survival. The paper aims to analyze the safety behavior of employees in manufacturing companies by looking at the influence of three variables there are safety climate, job satisfaction, and safety motivation. This research was carried out on one of the manufacturing companies in Indonesia that produce musical instruments and furniture. The sample is employees in the production section with nonprobability sampling technique. There were 300 respondents who participated in this research, but only 190 questionnaires that were feasible to be processed. This research found that the safety climate and job satisfaction have a positive and significant impact on the safety of employee motivation. Safety motivation also has a positive and significant effect on employee safety behavior. But, the safety climate and job satisfaction do not have a direct influence on safety behavior. Therefore, a company need to Consider taking a policy in implementing a safety climate and increasing employee job satisfaction in order to improve the safety of motivation which is then expected to create good safety behavior within the company,

Keywords: Safety Climate, Job satisfaction, Safety Motivation, Safety Behavior

Topic: Human Capital

The Benefits and Challenges of Digitilization for Employee Performance Management in A Medium-Sized Company in Kecamatan Lembang, West Java, Indonesia

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ABSTRACT: One key to successful management of agro-tourism business is performance management which should be related to service quality. Performance management research is generally done on a profit-oriented company, but employee performance management research which is related to digitalization has never been done in the agro-tourism sector, especially for medium-sized enterprises, which are not always profit oriented. Case study have been conducted in a middle-sized enterprise of agro-tourism sector at Kecamatan Lembang. The aim of this literature is to complete the model of employee performance management by find out what kind of benefit and challenge of digitalization that can improve the application of the model. The limitation of this paper is the output model will be generated only used to agro-tourism sector in this enterprise, but this framework will be useful for every researcher who are interested with employee performance management for tourism-service sector.

Keywords: Performance management, service quality, medium-sized enterprises, agro-tourism, digitalization

Topic: Human Capital

The Effect of Compensation, Motivation and Work Period on Employee Performance at Polytechnic APP Jakarta

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ABSTRACT: The research aims to determine the effect of compensation, motivation and work period on employee performance before and after the performance allowances at the Academy of Corporate Leadership Jakarta. The analysis is based on managerial implications. The research method used in this research is quantitative with multiple linear regression analysis technique, used to determine the effect of compensation variable (X1), motivation variable (X2) and work period variable (X3) on employee performance (Y). The population of this research are employees of Academy of Corporate Leadership of 60 people and technical sampling with census method. The research instrument used is with questionnaires distributed to employees of the Academy of Corporate Leadership. Sources of data used are primary data and secondary data. The result of the research shows that Before the performance allowances, compensation has positive and significant effect to employee performance while motivation and work period has no effect to employee performance. After the performance allowances, compensation and motivation have positive and significant effect to employee performance, while work period has no effect to employee performance.

Keywords: Employee Performance, Compensation, Motivation, Work Period

Topic: Human Capital

Analysis of Relationship between Job Satisfaction and Performance of Field Employees PT. Trisna Naga Asih

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ABSTRACT: "Analysis of the Relationship between Job Satisfaction and Performance of Field Employees PT. Trisna Naga Asih" examine the relationship of job satisfaction with the performance of field employees of PT. Trisna Naga Asih. This research was conducted with the aim to determine the extent of the relationship of job satisfaction with the performance of field employees. This research used a quantitative approach and data collection techniques with survey techniques using the field employee population of PT. Trisna Naga Asih with total 68 respondents. The results of the analysis found that job satisfaction and job performance of field employees PT. Trisna Naga Asih has the intensity of a relationship (+) 0.607 which belongs to the category of a strong enough relationship with a positive relationship direction.

Keywords: Job satisfaction, Performance, Employee

Topic: Human Capital

Factors Influencing Training Effectiveness: Barriers and Enablers factors in Financial Life Skill Training

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ABSTRACT: Training and development are becoming an increasingly important activity of Human Resource Management as they help our country to enhance human capital and compete in a rapidly changing business world. Lots of fund have been spent on youth training programs and it is a challenge for the training project to justify each fund that has been invested. This paper aims to evaluate the effectiveness of youth training programs in Indonesia especially in West Java. Using the thinking system, this paper specifically identify: (i) Barriers and enabler Factors for input ; (ii) Barriers and enabler Factors for process; and (iii) Barriers and enabler Factors for output. The research method in this study is qualitative by conducting interviews with resource persons involved in financial life skills training and then doing validation by searching for supporting literature. The findings therefore, Input has Enabler factors funding, staffing, administration, target group and barrier factors are relationship and productive project team; Process has motivation and commitment as enabler factors and barrier factors is community engagement; Output has enabler is setting specific goals and the barrier is satisfaction. All factors both enablers and barriers that identified will help in achieving effective training project

Keywords: Training effectiveness, enable factor, Barrier factor

Topic: Human Capital

Building Organizational Commitment of Generation Y at Workplace: A Theoretical Perspective

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ABSTRACT: In the era of digitalization, companies are required to adapt to the rapid changes that occurs, therefore the future success of the organizations measures by its learning capacity. Furthermore, this learning capacity will impact upon workers as human capital, which requires an updated skill. Unfortunately, many companies today often take shortcuts by stealing other's human capital, or often referred as headhunting strategy. In addition to that, as the Y generation dominates today's workforce, this strategy is considered to be very effective. The Y generations do not have the expectation to work in the same position for a long time, therefore this generation is known to have high turnover within the workplace. This paper proposes a solutions to make human capital (which come from Y generation) to have high intention to stay at they workplace and have high organizational commitment, to prevent any hijacking from the competitors.

Keywords: Y generation, Intention to stay and organizational commitment

Topic: Human Capital

Organizational Culture and Leadership, is There Any Relationship?

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ABSTRACT: The competitive market supported by dynamic environments, have always been the main reason to maintain sustainability in organizations. Every organization aims for the infinite period, therefore the people who work for the organization must cultivate their best effort in order to achieve organization's goals. As the competition keeps on increasing, organization has to improve and maintain its bargaining power. Its bargaining power includes people that operate the systems, thus to have highly competence people who give maximum contribution might be one of organization's strengths. Leadership is the way to persuade subordinate activities by communication process to gain the goal (Gibson, Ivanchevich, & Donnelly, 1995). Leadership is a part of cultural and as a cultural element, is developed and to provide supplementary evidence on the existence of a statistically significant relationship between cultural type and leadership style using empirical data (Glick, 2001). Organizational culture's researchers have suggested an interactive relationship between an organization's top leaders and organizational culture in fact exists, the empirical data remain scant (Huang, Cheng, & Chou, 2005). This is an applied research that has purpose: knowing relationship between organizational culture and leadership. **Keywords:** leadership, organizational culture, applied research.

Keywords: leadership, organizational culture, applied research.

Topic: Human Capital

Organizational Culture as a Self-Reflective Approach to Create Organizational Identity (Case Study: A Private School in Bandung, Indonesia)

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ABSTRACT: High competition among private educational institutions in Bandung triggered schools to pursue achieving competitive advantage. Form appropriate organizational culture reflected in identity of the organization is an option. This study aims to determine what kind of culture that manifested in organizational identity perceived by its employees. This research used OCAI (Organizational Culture Assessment Instrument) and a qualitative survey in the opening relational aspects of organizational culture within an educational institution. The open-ended questions in this survey were constructed in four sections: general practice and comparison, history, relational experiences, and leadership practices. In addition, the context for this research is a classical elementary school. The findings of the qualitative survey show the relative nature of the school in terms of the collegiality and reciprocity of care between those in leadership and between the teachers and the staffs in general. Furthermore, the majority of employees emphasized their identity as a "big family".

Keywords: Organizational Culture, Organizational Identity, OCAI (Organizational Culture Assessment Instrument), Qualitative

Topic: Human Capital

Influences of Social Support on Job Satisfaction and Organizational Commitment

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ABSTRACT: Employees' work attitudes determine their performances at company. Situation at the company, social support enables employees to feel happy at work and loyal to company. Social support is any active attention and care showed by peers and managers to employees in helping their job at company. Job satisfaction is a positive feeling experienced by employees in doing their job. Organizational commitment is a tendency of employees to do at their best for the success of company while keep staying in there. The objectives of this study are to test the causal effect of social support on job satisfaction and social support on organizational commitment. The respondents of this study were forty three first-line and middle managers works in several private banks in Bandung, Indonesia. Using simple linier regression analysis, the study found that there is a positive influence from social support on job satisfaction and there is a positive influence from social support on organizational commitment.

Keywords: Social Support, Job Satisfaction, Organizational Commitment

Topic: Human Capital

INFORMATION SYSTEM & TECHNOLOGY

Information Disclosure and University Governance in Indonesia

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ABSTRACT: Corporate accountability depends on information disclosures by the company to its stakeholders. Since each group of stakeholders needs different types of information, it is necessary to identify what type of information is needed by each of them. In developed countries, university governance is regulated by issuing prevailing standard across the nation. Adequate transparency is needed to actualize stakeholders' involvement and accountability of an organization. In Indonesia, good university governance must cover (1) autonomy of higher education institutions, (2) the management system of higher education institutions, (3) university governance, and (4) public accountability. For lecturers in Indonesia who are required by the regulator to improve their professionalism, HR qualification becomes the main information they want to know. Meanwhile, each aspect of information is considered important for the regulator to observe transparency of certain university. Despite considering university's website as the most favorite channel to obtain information about the certain university, respondents do not browse further for its operations, financial management, HR qualification, and organizational structures.

Keywords: good university governance, accountability, transparency.

Topic: Information System and Technology

Boosting Global Competitiveness in Indonesia: Is Industry 4.0 the Answer?

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ABSTRACT: The Fourth Industrial Revolution, or Industry 4.0, is coming. It allows us to further utilizing In-formation Technology, such as networking and cloud computing, to manufacturing principle. Indonesia respond the wave with the launching of Making Indonesia 4.0. It disclose how Indonesia can utilize Industry 4.0 to boost manufacturing and expand market to a growth led export level. It claims to help increase GDP growth by 2% from the baseline and improve manufacturing productivity. The plan seems bold especially since Indonesia's technological readiness is lagged behind and its economy is relatively not open. We argue that the plan is not concise enough in explaining how Indonesia can adopt Industry 4.0 to Indonesian manufacturing. Making Indonesia 4.0 needs to have better indicators and specific action for businesses to make sense of the plan.

Keywords: Industry 4.0, Making Indonesia 4.0, Indonesian manufacturing

Topic: Information System and Technology

An Android Supply Chain Application System for Automation Order Processing

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ABSTRACT: The objectives of this research is to added value function to the application (software) which has been made previously that had copyright number no HKI 2-01-000007457 in year 2016. The problems that become topics in this research because nowadays mostly industries want to utilize a system information for operating business activities through application which is easy to use, also if possible connecting to the smart phone. This Research had adopted the SDLC method because it is necessary for develop this new application based on previous application which is made from web based. The added value provided in this application is an application system has improved into an android based system which is more easily, simple and possible connected to the android electronic devices such as smart TV and smartphone. Therefore, companies can utilize this application for monitoring their daily business operation, the main functions of this application is for automation order processing. A feasibility survey conducted to the 40 (forty) experienced respondents, in three categories of industries. The method for analyze is using AHP (Analytical Hierarchy Process) method. The result of this survey conducted, found almost all industries are suitable to use this application, 30.7% retail, manufacturing 39.2%, and restaurant 30.1%

Keywords: Supply chain, system information, Android, AHP

Topic: Information System and Technology

Prospects and Challenges of Virtual Reality Adoption for Destination Marketing

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ABSTRACT: Virtual Reality (VR) is a cutting-edge technology that has been widely adopted for promotional purposes. In tourism industry, VR is favored due to its interactivity characteristics on delivering experience of tourist destination. The objective of this research is to explore the prospects and challenges of VR adoption for destination marketing. This research is qualitative research in which data is collected through observation and in-depth interview with 3 informants i.e. virtual reality maker, advertising agency and traveler. The result indicates that Virtual Reality as destination promotional tools are evolving in number and types of virtual reality formats that have been used e.g. 3D image, application and 360° video. It offers different visualization and effectiveness in capturing users' attention. However, VR as promotional tools face several challenges in terms of cost, system development, visualization and creativity as a package of tourist destination marketing.

Keywords: virtual reality, technology adoption, destination marketing

Topic: Information System and Technology

Role of Enterprise Resource Planning: A Review of Practices, Trends, Theory and Opportunities in Expanding Field of Research

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ABSTRACT: Since the inception of Enterprise Resource Planning (ERP) concept in 1990, many companies have started to implement ERP. The popularity of ERP software has steadily increased from \$ 28 billion in 2006 to about \$ 48 billion in 2011. ERP is expected to integrate all parts of the company and facilitate the flow of information both from within and outside the company. Manufacturing companies have some problems that occur in the production cycle. To overcome those problems, they decided to implement ERP. ERP is expected to integrate all parts of the company and facilitate the flow of information both from within and outside the company. This paper provides a review of fifty articles dating from 2001 to 2017 from journals related to ERP. This study aims to identify what roles of ERP are examined in production cycle in the literature. We specifically illuminate factors influencing the implementation, adoption, the role, and the success of its adoption. It is found that the role of ERP varied across companies. Besides, cost and benefits of ERP implementation become the main consideration for adoption decision. Further research should investigate more deeply about the role of ERP in each activities in each production cycle and should take more companies taken as the sample.

Topic: Information System and Technology

Enterprise Architecture as A Tool to Embrace Change due to Technological Development

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ABSTRACT: The recent technological development creates a new challenge for the management team within the organization, as its survival depends on its ability to adapt to it. Hence the new approach called enterprise architecture is used as a tool to assist with such challenge. Enterprise architecture aims to create synchronization among operational, information and communications technology within the organization. This concept paper aims to illustrate the importance of enterprise architecture as tool for assisting such change especially for businesses in Indonesia. Moreover, the organization capability to adapt to change also depends on the personnel within it.

Keywords: enterprise architecture, information technology, human resource management

Topic: Information System and Technology

INTERNATIONAL ISSUES

Can Cryptocurrency Helps Business to Be More Competitive?

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ABSTRACT: Technology lowers the cost of transaction, which is good for business. In this digital era, people tries to make the way we trade even faster and secure. Cryptocurrency, lately, has been a huge debate among leaders in business and finance, especially in the way it can revolutionize finance and transaction. Chicago Mercantile Exchange trades Bitcoin futures, and there are merchants who accept Cryptocurrencies as payment. As the development of Cryptocurrency will only get faster, we argue that business should be conservative in adapting to Cryptocurrency amid its volatility and relatively small market cap.

Keywords: Cryptocurrency, Business Competitiveness

Topic: International Issues

The Complexities Of Anti Dumping Investigation as A Remedy Against International Trade Practice: A Case Study of Indonesian Anti Dumping Regulation

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ABSTRACT: Under WTO regulations, international trade is basically based upon free and fair competition. The meaning free is come up into term since WTO applies strictly the principles of Most Favoured Nation and National Treatment, under which WTO member countries are prohibited to discriminate any other member countries (under the principle of Most Favoured Nation) and products from other member countries should be treated equal to those of domestic products. Meanwhile the term fair competition refer to regulation regarding trade remedies related to anti-dumping and anti-subsidy under WTO Regulations. This paper is intended to highlight shortly one of those international trade remedies, particularly the complexity of anti-dumping measures in order to remedy an unfair trade practices which currently becoming one of a very limited available options to protect domestic industry from unfair competition in international trade. The method or approach to this paper is descriptive analysis using literature and regulation studies, and supported with related quantitative datas. This paper highlighted the complexity of anti-dumping measures under WTO regulation which then implemented in member countries with their own anti-dumping regulations. These domestic regulations should be notified to WTO in order to maintain their transparency and fair treatment to any other countries investigated under anti-dumping rules in any particular country, which in this case is Indonesia. The question tried to answer with this paper is whether the implementation of anti-dumping measures is effective to protect domestic industry in Indonesia considering the proceeding is relatively time consuming and heavily regulated, while the domestic industry affected by dumping practice in some cases needed immediate remedy or else, this particular industry being dumped would be collapsed. The only remedy to this unfair trade practice once it is proved that dumping is occurred is through tariff of anti-dumping import duty. The process up to the enactment of import duty by the Ministry of Finance is not a simple one. Considering the complexity of this particular remedy, therefore for the effective protection of domestic industry being dumped it will be suggested that other measures should be taken.

Topic: International Issues

How Trump's Steel and Aluminum Tariff Shape Future World Trade

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ABSTRACT: In this information era where Globalization and advancement of technology helps reduce trade cost, Trump just proposed his idea of having a tariff to help The United States' steel and aluminum industry. Many pro free trade economists still argue that the policy will hurt world trade. The cost can be so high, Australia, Japan and European Union are trying to get exemption from the tariff. We use Heckscher-Ohlin trade model to show the rationale behind Mr. Trump's strategy. Combined with game theory perspective, we argue with the most influential player in the world trade creates its own rule, WTO's role turns questionable and international trade gets harder to predict. Furthermore, we provide theoretical explanation why this will hurt the world as a whole.

Topic: International Issues

Product Competitiveness and International Trade Inequality on ASEAN Countries

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ABSTRACT: Comparative and competitive advantages had been important issues on international trade. However, international trade inequality is seldom to be discussed even though this issue has becoming important nowadays. International trade inequality is not only important in global context but also in regional such as ASEAN countries, especially for Indonesian government when its exports are smaller than peer countries, such as Malaysia and Thailand. Therefore, this research is becoming important to do. Specifically, this study will try to analyze and identify Indonesia's competitive products relative to its peers in ASEAN. Furthermore, we try to analyze the international trade inequality in ASEAN region. We will employ Revealed Competitive Advantage (RCA) method in order to identify product competitiveness and Willamson Index for calculating regional international trade inequality. Moreover, this study also tries to analyze the effects of bilateral local currency settlement framework among Indonesia, Malaysia, and Thailand on international trade growth. The results show that product competitiveness might have an impact on regional trade inequality in ASEAN. Moreover, the implementation of local currency settlement framework among Indonesia, Malaysia, and Thailand seems to be positive for export and import growth for Indonesia.

Keywords: international trade inequality, product competitiveness

Topic: International Issues

OPERATION & SUPPLY CHAIN

Buyer-Supplier Coordination to Reduce Uncertainty Risk in a Supply Chain System

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ABSTRACT: Uncertainty is a big challenge for modern business environment, especially in the renowned area of global supply chains. The inherent risk in the uncertain operations such as material delivery, machines availability, and demand fluctuation can damage supply chain performance. Therefore, coordination mechanism between supply chain entities have an important role to reduce uncertainty risk. This paper investigated coordination mechanism between buyer and supplier that could potentially reduce schedule instability along the supply chain. Several operational environments that being considered such as demand variability, cost structure, and inventory policy were simulated in a full factorial experiment context. The experiment results showed that coordination among supply chain members can significantly reduce schedule instability. This can be achieved by sharing uncertainty risk between buyer and supplier. Furthermore, supplier was no longer the most suffered entity in the supply chain, in contrast to traditional relationship which is dominated by the buyer. In addition, different cost structures that buyer employed was conveyed to the whole system. This strengthen supply chain perspectives that the strategy implemented by each member of the chain will contribute to the entire supply chain performance.

Keywords: schedule instability, supply chain, coordination mechanism

Topic: Operation and Supply Chain

Developing Green Manufacturing Framework through Reverse Logistics using System Dynamics Simulation

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ABSTRACT: This paper proposes to create a system simulation model to simulate e-waste management to support the development of green manufacturing framework by considering economic and environmental concerns. This paper use system dynamics simulation based on literature studies and related previous research. The initial stage of this research was carried out by identifying the barrier of e-waste management and factor that influence e-waste management. Then, a conceptual model of e-waste process management through a reverse logistics system is developed. The conceptual model was developed into a simulation which consists of several related sub-models, include manufacturer, distributor, government, recycle provider and environment sub-model. From the proposed causal and stock and flow model, it is found that government regulation and incentives play an important role in developing green manufacturing framework.

Topic: Operation and Supply Chain

Company Location Selection in Digital Technology Era, Does it Still Matter?

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ABSTRACT: Some locations are considered good for business and some other being accused and responsible for failure of a company. In early 90s many companies was willing to invest more to have a location that believed to contribute in generating companies' competitive advantages. During location selection process many factors are being carefully calculated to support decision making, some of those factors are: Labor Productivity; Exchange Rates and Currency Risk; Cost; Political Risk, Value and Culture; Proximity to Markets; Proximity to Suppliers; Proximity to Competitors.

How about today, a time that considered as Digital Technology Era, are those factors still significant? Or more essential question, is company location selection still matter? This literature research has purpose in evaluating some factors that generally considered in making decision related to location selection.

Keywords: Location Selection, Operation Management, Digital Technology

Topic: Operation Management, Technology

Design of Decision Support System "Reverse Supply Chain Management" based on Android

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ABSTRACT: Reverse supply chain is the backward movement of product in supply chain. This paper proposes a reverse logistics decision support system which can ease product information tracking for customers, company (decision maker), and service center to products returned. Model in this paper is inspired by various papers published in the literature and real-life example of repairing smartphone at the authorized service center. The proposed model considers important elements of reverse supply chain are initial screening process of reverse (gatekeeping), collection, sorting, and recovery (treatment). Activity diagram of each element reverse supply chain is described. Implementation of a decision support system based on android is also presented. The proposed model will help the parties involved in reverse activities and also help academics in developing better decision reverse supply chain model especially electronics that have shorter life cycle product.

Topic: Operation and Supply Chain

‘Success in Six’ Model to Increase Efficiency and Green Productivity

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ABSTRACT: The Asian Productivity Organisation developed Green Productivity (GP) as a strategy to lever-age the power of productivity in order to improve the quality of our environment. GP can foster the creative exchange between people to (i) achieve a better quality of life for all, (ii) support social justice and fairness for citizenry, and (iii) enhance prosperity for their enterprises. This study aims to demonstrate the GP “success in six” model on a company that has been in the bottled water industry for over 52 years and manufactures its own 3 and 5 gallon bottled water. Through the model, we perform a ‘walk through survey’ to generate and evaluate GP options with the assistance of an eco-map, i.e., a tool for mapping where the location of environmental problems and inefficiencies lie. Subsequently, we leverage on Material Flow Cost Accounting (MFCA) as a quantitative tool to provide recommendations that increase their resource productivity and re-duce operational costs. From the analysis and through a material flow profit-and-loss statement, we observe that the proportion of positive products to negative products was 77% to 23%. The GP recommendation re-sulted in a 55% raw material cost reduction and 10% increase in recycling earnings.

Keywords: Green Productivity, Success in Six Model, Material Flow Cost Accounting, Manufacturing

Topic: Operation and Supply Chain

Supplier Development: Practices and Measurement

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ABSTRACT: When competition is no longer between firms, but instead between supply chains, firms are encouraged to establish beneficial collaborations in the supply chain. Supplier development is one of the popular practices that believed to create value in supply chain. Studies have discussed the definition of supplier development, developed its measurements and explored its implementation in organizations. However, although customer support in inter-supplier collaboration is believed as one of supplier development practices, it is never been included in supplier development measurements. This current study makes a significant contribution by developing a measurement model of supplier development with the inclusion of customer support in inter-supplier collaboration, together with direct involvement, supplier evaluation and future business incentives. Moreover, the study supported the view that supplier development is a second-order construct consisting four first-order constructs, namely: direct involvement, supplier evaluation, future business incentives and customer support in inter-supplier collaboration.

Topic: Operation and Supply Chain

Structuring Indonesia Maritime Logistics System Through Shipping Industry, Port Service Provider, and Government Perspective

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ABSTRACT: In 2012, as a political will to improve price of goods equality, Indonesian government initiated a program named as Motorways of The Sea Program (Tol Laut). Ramification of the program is that large number of stakeholders in Indonesia maritime logistics should be accounted in the design and implementation processes. In order to empower multi perspective in development, stakeholders' involvements shall be considered based on their interests, barriers, and expectations. This study aims to identify those interests, barriers, and expectations from stakeholders in developing and implementing Motorways of The Sea program. Those identification processes will be used as considerations to obtain support from important stakeholders especially government, shipping industry, and ports. Critical system heuristic is used to describe distinctive interests between stakeholders in maritime logistic system. Interviews are conducted with several stakeholders such as shipping companies, government, port infrastructure providers and port operators. Interview results have been triangulated using field observations in several Indonesia main ports. This study is producing a systemic map of each stakeholder's interest, barriers, and expectations that will eventually enable policy makers to have holistic view of the situation, which is important to design policy that generate shared value in the Motorways of The Sea implementation.

Keywords: Maritime Logistics, Motorways of the Sea, Critical System Heuristic (CSH), Stakeholders Analysis

Topic: Operation and Supply Chain

OTHER RELATED ISSUES

Online Luxury and In-Store Luxury Shoppers' Analysis towards Luxury Goods

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ABSTRACT: The development of the digital world makes a better marketing application and opens opportunities for sellers to market their products through online stores, including for the sellers of luxury goods. The difference between luxury shoppers and regular shoppers is luxury shoppers willing to pay premium for prestigious products to show their social status. The purpose of this research is to analyze whether there is a difference in shopping behavior between online luxury shoppers and in-store luxury shoppers. The numbers of samples in this research were 124 respondents. This research uses independent sample t-test. The result shows there is no difference between online luxury and in-store luxury shoppers towards luxury goods.

Keywords: Luxury Goods, Online Luxury Shoppers, In-Store Luxury Shoppers

Topic: Other Related Issues

The Level of Organizational Communication Satisfaction and Job Satisfaction of Global Customer Fulfillment Workers

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ABSTRACT: Organizational communication satisfaction and job satisfaction both are important to people and to organization as to improve workers and company performance. Failing to communicate may affect the company day process. The purpose of this study was to examine the relationship between organizational communication satisfaction and job satisfaction among International Business Machine (IBM) Malaysia Workers. The methods used were Communication Satisfaction Questionnaire by Downs and Adrian (2004) and Minnesota Questionnaire. 80 respondents were participated in this study. The selection of the samples was drawn based on the convenient sampling technique. The results found that, level of organisational satisfactions of the respondents showed moderate satisfaction of all dimensions. Moderate satisfaction level also found on job satisfaction of the respondents. From the eight communications satisfaction dimensions (personal feedback, supervisor communication, subordinate communication, horizontal communication, organizational integration, corporate information, communication climate and media quality), ‘communication climate’ was found to be the highest correlation with job satisfactions. There was significant correlation between organizational communication satisfaction and job satisfaction among IBM workers. Hence, the company should maintain the organizational communication process applied within the company as to improve performance.

Keywords: Organisational communication satisfaction, job satisfaction.

Topic: Other Related Issues

Perception and Self-Concept Analysis as the Basis of Making Family Planning Ads for Male in Surabaya

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ABSTRACT: One of the things that is still in the spotlight for the Surabaya City government is the population density. It makes city officials take strategic steps to increase public participation in family planning program. One of the programs being promoted is male family planning with vasectomy method. In order for this pro-gram to be widely known, public service ads will be made. The ads take consideration of perceptions and self-concept of the target. The method used in this research is descriptive qualitative, with in-depth interviews as data collection instruments. This research informant consisted of five people who were the target of the male family planning program using vasectomy methods, namely men, Surabaya residents, aged 25-49 years old, married and already had a child of at least one person. The results show that the target have no negative perception towards the program and willing to participate when they feel it is necessary. They also want to be seen as responsible and useful person for their family and surroundings. Thus the ads to be made are advisable to lift it as the main message.

Keywords: Public Service Ads, Advertising, Family Planning, Vasectomy

Topic: Other Related Issues

Consumer Engagement Captured in Online Endorsement

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ABSTRACT: As technology changes rapidly, marketing area has a challenge to have sufficient changes also to meet demand from consumer. Online endorsement becomes more familiar for being a strategy in digital marketing. This marketing way is often used to introduce a new product or to post a sale of a product. Online endorsements can use celebrity or non-celebrity as endorser. Both of these can represent attachment to the consumer differently. The engagement can be seen from action people did right after seeing online endorsement. The research aimed to provide an insight how online endorser and consumer engaged to each other. The research also investigates the effect on consumer engagements purchase intention afterward. It used behavior-al metrics implied from the online endorsement. It also used interpretative phenomenological analysis to analyze data. It will take a look at different capture of online endorsement.

Keywords: consumer engagement, online endorsement, behavioral metrics, celebrity, non-celebrity

Topic: Other Related Issues

Applying a Mixed Method Approach to Understand Consumer's Repurchase Intention: A Case Study of Garnier Micellar Water

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ABSTRACT: As Indonesian economy grows the amount of the middle class who is capable to spend their money for consumer products, namely cosmetics, multiplies. Some analysts have predicted that Indonesia will be one of the top five cosmetic market in the world (e.g. Asia Cosmetic Market Guide, 2016). Despite the growing importance of the cosmetics market, there are still very few literature on cosmetic products especially in Asian countries. Our paper aims to understand the likelihood of consumers to repurchase one particular cosmetic products by analyzing several variables. These variables are influence of the perceived quality, product presentation, and Word of Mouth (WOM). In this research, we investigate consumer's opinion on Garnier Micellar Water, which is one of the popular cosmetic products in Indonesia.

This study applies a mixed method approach to test several proposed hypotheses. This approach takes into account multiple linear regression and some online consumer reviews for Garnier Micellar Water. The online consumer reviews will complement the result of the multiple linear regression. In order to conduct the analysis, we use primary and secondary data gathering method. We collect primary data from the questionnaires. 106 questionnaire responds are combined with the secondary data from consumers' review on Female Daily and Ulta websites.

Our result indicates that only perceived quality variable affects the consumer's satisfaction. Nevertheless, this consumer's satisfaction does not bring about the repurchase intention. In addition, our WOM analysis of the consumer's review from multiple websites confirm that customer satisfaction does not have an influence towards repurchase intention. We infer that our finding still gives a valuable insight into the cosmetic industry in Indonesia to improve its marketing decisions.

Keywords: repurchase intention, perceived quality, product presentation, word of mouth, Indonesia

Topic: Other Related Issues

The Effects of Shadow Banking on Bank's Consumer Credit in West Java

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ABSTRACT: Gross regional domestic product (GRDP) of West Java still relies on household consumption. One of the factors which encourages the development of household consumption is credit. During the period of 2007-2015, the consumer credit position of commercial banks in West Java increased by approximately 44%. Aside from commercial banks, there is another form of financial institution that took part in lending activities, named shadow banks. This raises the question on whether or not shadow banks disrupt the demand for consumer credit of commercial banks in West Java. This research used multivariate regression method with ordinary least squares (OLS) technique. The results showed that the level of unemployment and interest rates of banks have a significant negative influence, whereas the interest rate of shadow banks and GRDP of West Java was not significant in affecting the amount of the commercial banks' credit consumption in West Java.

Keywords: Consumption credit, finance companies, and bank

Topic: Other Related Issues

Examining the Perceived Career Growth, Organizational Justice and Intention to Stay among Traffic Wardens in the City Traffic Police, Lahore

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ABSTRACT: This study aimed to investigate intention to stay among officers in the City Traffic Police Lahore in relation to their perceptions of organizational justice and career growth. 224 traffic wardens, working in Lahore participated in survey. Apart from procedural justice and professional ability development, all dimensions of organizational justice and perceived career growth were found to significantly influence traffic officers' intention to stay. Moreover, promotional speed emerged as the strongest predictor of the intent to stay. The findings of this study may guide police authorities in dealing with issues on turnover by initiating policies which can strengthen employee retention intention. This paper enhances understanding of turnover issues by investigating retention intention of traffic police officers in an Eastern culture. Specifically, this research contributes to literature by examining the predictive role of organizational inducement factors (organizational justice and career growth) on attitude (intention to stay). Additionally, both the exogenous constructs of interest are used at the dimensional levels.

Keywords: Intention to Stay, Organizational Justice, Perceived Career Growth, City Traffic Police Lahore

Topic: Other related Issues

Crisis-Based Transition and Family-Business Organization's Growth in Indonesia: A Case Study in 5 Middle-Large Family-Business Organizations

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ABSTRACT: The Greiner's Growth Model is considered to be a strategic management tool that can help identify, anticipate and understand the root causes of a company's developmental phase. Greiner's thesis states that an organization will go through six stages of growth and face its challenges. Family-businesses in Indonesia are experiencing a rapid growth. The PWC (2014) survey of family-businesses in Indonesia has shown that more than 95% of companies are family businesses, with a total wealth of about 25 per cent of the Indonesia's GDP. This study will reveal whether there is a gap between Greiners's theoretical model and the facts about the growing-cycle of family-business organization in Indonesia. By using an explorative study, this study will involve 500 respondents consisting of managers, employees with more than 10 years of service, and key employees in 5 large and medium-sized family-businesses in Indonesia with more than 30 years of experience.

Keywords: family-business, Greiner's Model, crisis-based transition model

Topic: Other Related Issues



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